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USDA Rural Development
Rural Housing Service

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Building a Better Future for Farmworkers



How USDA Can Help

Farmworkers, who perform some of the most exhausting, back-breaking labor in the United States, are also among the lowest paid workers. Their lives are made even more difficult by a lack of resources most Americans take for granted.

Housing conditions for farm laborers lag far behind those for other Americans. In some cases, they live in houses that are little better than shacks. For migrant workers, the picture is



Example of modern farm labor housing constructed with USDA/Rural Development's help.

particularly grim. They are sometimes forced to sleep in their vehicles, in tents, or completely outdoors. Even when shelter is available, it is often dangerous and unsanitary. Farm laborers have little access to retail stores and other vital services, such as health care and schools.

Farmworker families with young children face especially difficult choices. If one parent stays home with the children, the family forfeits badly needed income. Without access to affordable child care, farmworker families might feel compelled to take their children into the fields while they work, a choice fraught with difficulties for the parent and, often, danger for the child.

However, help for improving farmworker living conditions is available. The U.S.

Department of Agriculture's (USDA) Rural Development mission area offers programs to help public and nonprofit organizations build farm labor housing as well as child-care centers, schools, and health-care facilities. Through loans, loan guarantees, and grants, this assistance has helped improve the lives of farmworkers across the United States.



USDA works with organizations to help determine the most efficient use

USDA-financed farm labor housing includes facilities such as playgrounds and child care centers.

of available resources to achieve their objectives. Often, this includes leveraging funds in partnership with businesses or with other organizations. Rural Development officials can help locate other assistance and resources. They work step by step with local groups and their partners to help develop plans that meet communities' specific requirements and desires, and then to realize those plans as effectively and efficiently as possible. USDA's goal is to provide a financially viable facility that improves the lives of its customers and that is in harmony with the entire community.

USDA Rural Development may offer what your organization needs to improve farm labor conditions in your community.

Farm Labor Housing

USDA Rural Development serves as the only national source of construction funds for dedicated farm labor housing through its Farm Labor Housing loan and grant programs (often referred to as the Section 514 and 516 programs). These programs provide assistance to build housing for both migrant and year-round laborers. And they can help pay for important facilities, such as on-site child care centers. Most of the housing developments built using these loans and grants are off-farm rental units available to eligible farmworkers of any farming operation. However, a small number of on-farm units are built each year with USDA assistance. Today, over 100,000 housing units provide housing for domestic farmworkers and their families, thanks to these loan and grant programs.



Off-Farm Housing for Farmworkers

USDA low-cost mortgage loans and grants are available to State or local governments and nonprofit organizations to build, buy, improve, or repair rental housing for farm laborers and to provide amenities such as dining facilities, community or recreation rooms, child care centers, and laundry rooms. Funds may also be used to: buy building sites; purchase basic durable household furnishings; and develop water, sewage disposal, heating, and lighting systems.

Limited partnerships in which the general partner is a nonprofit entity may also obtain loans under this program. Such partnerships

are eligible for low-income housing tax credits, which may be used in conjunction with USDA's Farm Labor Housing program.

Farm labor housing financed by Rural Development must be modest in size and cost but

adequate to meet the farm laborer's family needs.

Typically, the housing looks like conventional apartment complexes. However, dormitory-type structures are also eligible for funding, if necessary. Off-farm housing is open to eligible farmworkers from any farming operation, both migrant and year-round, and their families.

Rural Development encourages locating off-farm housing close to important facilities such as child care and health care services. Loan and grant funds can also be used to build on-site facilities, such as child care or recreational facilities. In all cases, housing must be built in locations free from environmental hazards.

USDA typically provides a rental assistance subsidy to tenants, making the rent affordable for them. No discrimination because of race, color, religion, age, sex, disability, family status, or national origin is permitted among potential occupants.

On-Farm Housing for Farmworkers

USDA Rural Development offices can also provide 1-percent loans to growers who wish to build on-farm housing. The on-farm housing is available only to farmworkers who work for the farmer or rancher borrowing the funds.



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Most of the housing built by individual growers has been single-family homes, although dormitory-style housing has been funded by Rural Development. In most cases, rent cannot be charged, although some exceptions can be made for high-volume-occupancy structures. The term of the loans is 33 years, and the homes must remain in the program during that period. Several restrictions apply if a farm operator wishes to pay off this type of loan early.

Self-Help Housing

Achieving the Dream of Homeownership

Many farmworker families have been able to achieve the American dream of owning homes through USDA's Mutual Self-Help Housing



program, a sweat-equity alternative that builds affordable houses. Self-Help combines the Rural Development direct lending program for home purchases with a grant program that helps nonprofit organizations guide borrowers in the construction of new homes, reducing by almost 20 percent the total cost of purchasing a home.

Participating families provide at least 65 percent of the labor involved in building the

homes. This sweat-equity contribution allows farmworker families to purchase houses that otherwise would have been too costly.

This program provides excellent opportunities for farmworker families to become year-round residents of a community, contributing to family stability and creating stronger rural economies. Because the families work together to build each other's homes, usually in groups of 5 to 12 families, they develop a sense of community that fosters long-lasting ties.

Rural Development's Community Facilities for Farmworkers

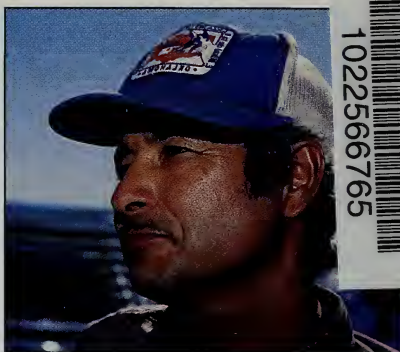
Farmworkers, who often lack access to basic services such as health care, child care or schools, can be helped through Rural Development's Community Facilities program. Local governments and nonprofit organizations can apply to develop these essential community facilities.

Community Facilities program funds can be used in conjunction with the Farm Labor Housing and Mutual Self-Help Housing programs to help serve the special needs of farmworkers. These can include the construction of health care centers for migrant workers, child care centers, and school buildings. Such facilities can serve residents of new farmworker housing financed by USDA, or can fill the needs of already-existing neighborhoods and populations.

We're Here To Help

Wherever your rural community is located, there are USDA Rural Development offices that can help you build your farm labor housing or other facility. Rural Development officials can explain how to apply for assistance, provide valuable advice on project planning, and help

your organization link up in partnerships with nonprofits, government agencies, and private-sector entities to get the most out of mutual assets.



Further information on programs for farm laborers is available from the USDA Rural Development State or district office serving your area. Information is also available on the USDA Rural Development Website at:

<http://www.rurdev.usda.gov/rhs/index.html>
or from the agency's national office at the following address:

USDA Rural Development
Rural Housing Service
1400 Independence Avenue, SW, STOP 0701
Washington, DC 20515-0701

To be connected to your Rural Development State office, you may dial (202) 720-4323 and press 1.

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